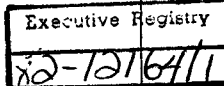


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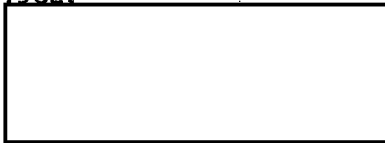


27 September 1982

NOTE FOR: Michael O. Wheeler
Staff Secretary
National Security Council

Mike:

Per your request, attached are
comments on the Richard Pipes lecture
forwarded by your memorandum dated
23 September 1982.



Executive Secretary

STAT

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Notes on Pipe's Speech

Page 4: "Decline of Soviet economic growth" vice "Decline of the Soviet economy."

--growth of GNP in the 1950s "almost 6 percent per year"

--now less than 2 percent per year

--coming decade, growth likely to remain below 2 percent

Page 4: Capital investments aren't being drastically reduced; their rate of growth has been cut markedly.

--Soviet worker produces only two-fifths as much as his American counterpart

Page 5: Low productivity was a serious problem in Russia in 1980. Because of low productivity, Russia was still poor and backward.

"Improvements in Soviet production," vice "Improvements in Soviet productivity."

Agricultural production has increased in the past 17 years by 33 percent (1965-81) according to our calculations. The point is that the investment costs have been extremely high, and the supply of agricultural products is still not sufficient to satisfy rising consumer demands.

Machinery imports from West have had a decided impact on the industries which received them.

Page 7: No evidence that productivity of voluntary brigades plus sobashniki is twice that of ordinary workers. Probably much less.

Page 13: Allocations to total capital investment and consumer-oriented investment increased in both the 9th and 10th five-year plans.